



May 24, 2006

Ex Parte Presentation
Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: Federal-State Joint Board on Universal Service, CC Docket No. 96-45

Dear Ms. Dortch:

The University at Albany, a State University of New York University Center submits this letter to express our concerns that a number-based contribution mechanism would have a significant detrimental effect on this campus and ultimately its students, faculty and staff.

We have determined that our per-year federal universal service obligation would increase from \$4,800.00 per year to over \$235,056.00 per year if a number-based approach were adopted, assuming that the per-number fee was \$1.00.

This increase and resultant activity to avoid this increase would put in jeopardy the architecture of the University's lifeblood communications system of 15 PBX's. It would prohibit the direct access to faculty, staff and students without operator assistance. Changing our architecture that has been updated over the past twelve years to a non-DID based system would mean expending ten's of thousands of dollars in programming, hardware and software changes.

Our daily business practices and procedures would have to be modified, including our many ACD systems, 911 databases, interactive directory, printed directory, directory assistance from our LEC, automated voice response directory system, and billing modules that are all based on DID numbering.

All material in print and electronic form on thousands of forms, letterheads, fliers, business cards, etc. and the thousands of web and electronic files would have to be changed. One cannot even estimate the cost of those changes alone.

Our system is designed to have one switchboard operator. Returning to a one number system would mean the addition of at least six new positions that the University cannot fund. Our budget is constrained by the budget of the State of New York and affordable tuition; we simply cannot just increase our budget to meet this new requirement.

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The University at Albany does not have resources to offset this substantial increase. If implemented, the FCC's action would require significant cuts with respect to institutional programs, including, but not limited to,

- the elimination of individual telephone service for resident students.
- the elimination of numbers assigned to professors and researchers operating in multiple locations, thereby limiting their access to students and their research.
- the reconfiguration of the campus communications system to an extension-based system under which the university would maintain a single call-in number.
- the shift in policy with respect to maintaining number blocks would significantly impact campus telecommunications planning (and pose potential public safety concerns) with the elimination of the traditional five-digit dialing on our three campuses.
- the reallocation of funding from education and research-based programs to funding the Universal Service Fund fee.
- the elimination of efforts to upgrade the University's telecommunications facilities and limiting our ability to invest in research networks such as NYSERNet, Internet2, and the National Lambda Rail.

The Commission should recognize that enterprise customers include, not only Fortune 500 companies, but also many not-for-profit organizations, including colleges and universities, local and state governments, charitable organizations, and medical institutions. These entities also do not have the resources to internalize significant increases in regulatory fees.

We are particularly concerned with any reform that requires enterprise customers to shoulder a heavier universal service burden than they do today in comparison to residential customers. The FCC should reject any efforts to establish a residual funding mechanism under which enterprise customers are responsible for all funding above a certain per-number fee for residential customers.

The Act requires universal service contributions to be equitable, yet based on the current record in this proceeding; it remains unclear if a pure number-based approach could fully satisfy this basic requirement of Section 254.

We fully support the goals of universal service, and commend the FCC for their efforts to extend telecommunications services to all Americans. It is, nevertheless, essential that the Commission also address universal service distribution issues by controlling future fund growth and limiting any waste within the program.

The contribution factor for the universal service program has been stable for the last three quarters, which calls into question the need for immediate reform of the current revenue-based approach.

We have further concerns with how non-number-based services, including special access services, would be assessed under a number-based approach, particularly with respect to double billing. Because many special access services already have associated numbers, there is no basis to separately assess special access services in addition to working numbers.

It is our understanding that advanced data services for residential customers (DSL and cable modem service) are exempt from universal service obligations. The same exemption should apply equally to enterprise data services and special access services.

The University at Albany asks the FCC to proceed with caution in adopting a number-based plan that does not account for the specific concerns of the higher education community.

The University at Albany believes that any reform in this proceeding should not substantially disadvantage any particular class of customers, including higher education.

The University at Albany hopes the Commission modifies its universal service policies in a manner that reflects the potential impact on the higher education community.

We suggest that no reform proposals be formally adopted by the Commission until such time as to the full impact of those proposals is studied and understood.

Respectfully submitted,

A handwritten signature in cursive script that reads "Christine E. Haile".

Christine E. Haile
Chief Information Officer